

BEFORE THE IDAHO BOARD OF TAX APPEALS

EUGENE MOWLDS,)	
)	
Appellant,)	APPEAL NO. 15-A-1031
)	
v.)	FINAL DECISION
)	AND ORDER
BLAINE COUNTY,)	
)	
Respondent.)	
)	
)	
)	

CONDOMINIUM PROPERTY APPEAL

This appeal is taken from a decision of the Blaine County Board of Equalization denying the protest of valuation for taxing purposes of property described by Parcel No. RPS07800000790. The appeal concerns the 2015 tax year.

This matter came on for hearing September 22, 2015 in Hailey, Idaho before Hearing Officer Travis VanLith. Appellant Eugene Mowlds was self-represented. Valdi Pace represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

The issue on appeal concerns the market value of a residential condominium unit.

The decision of the Blaine County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed market value of the subject property is \$426,482. Appellant contends the correct value is \$330,000.

The subject property is a 962 square foot, 1-bedroom, 1-bathroom condominium unit built in 1974. Subject is located in the Wildflower development in Sun Valley, Idaho.

In support of Appellant's position, an independent fee appraisal with an effective valuation date of April 8, 2015 was offered into evidence. The appraisal considered information related to three (3) sales from 2014 and 2015, and two (2) active listings. Sale prices ranged from \$365,000 to \$440,000, or between \$325 and \$407 per square foot. The listings had asking prices of \$425,000 and \$424,900, or \$497 per square foot. The three (3) sales were noted to have an inferior location compared to subject. After making appraisal adjustments for differences between subject and the compared properties, the adjusted sale prices indicated values were between \$392 and \$421 per square foot.

The listings in the appraisal were located in subject's condominium development. At time of hearing, one (1) listing had been on the market for a period of 162 days, with the other on the market for 449 days. An adjustment on one (1) of the units was in consideration of the future land payments owed for the land lease that the unit is burdened with. Making adjustments for time on market and land considerations to the active listings resulted in adjusted prices of \$436 and \$496 per square foot. The fee appraiser gave the most weight to listing No. 4, as it was deemed most similar to subject. The appraisal concluded a total value of \$332,000, or \$388 per square foot for subject.

Appellant also provided information on a mid-2015 sale of a furnished condominium in subject's development. The sale price was \$365,000. Appellant suggested this sale property was similar to subject. Respondent countered much of Appellant's sales information was after the January 1, 2015 assessment date.

Respondent provided a sales analysis which focused on four (4) sales regarded as

similar to subject in terms of age and market grade. Two (2) sales took place in 2013, with the remaining two (2) selling in 2014. Sale prices were between \$610,000 and \$740,000. Adjustments were made for location, year built, square feet, and layout. After making adjustments for differences between subject and the compared properties, adjusted sale prices were between \$461,550 and \$587,840.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2015 in this case. Market value is defined in Idaho Code § 63-201, as,

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Market value is estimated according to recognized appraisal methods and techniques. There are three (3) approaches to value, the sales comparison approach, the cost approach, and the income approach. In a unique way, each approach considers the available information on recent comparable sales.

Appellant provided an independent fee appraisal with a valuation date of April 8, 2015. However, the relevant appraisal date for this appeal is January 1, 2015. The Board finds the value conclusion reached in the appraisal was beyond the effective date and cannot be relied on. The appraisal relied heavily on listings to determine the market value of subject. Listings are generally not considered the best data upon which to base a value conclusion.

What remains from Appellants evidence is information on two (2) 2014 sales from the fee appraisal. These two (2) sales were not located in subject's development and were adjusted quite heavily due to inferior location. The sale prices were \$398 and \$421 per square foot after adjustments for differences from subject. Subject's assessed value is \$443 per square foot. In looking at the subject versus the sales, in terms of size subject was the smallest at 982 square feet and would naturally reflect a higher price per square foot.

Respondent submitted a sales analysis which contained four (4) sales, with two (2) occurring in 2013 and two (2) in 2014. There were differences compared to subject which Respondent accounted for by applying appraisal adjustments. Sale prices were between \$610,000 and \$740,000, with adjusted sale prices between \$461,550 and \$587,840. The sale prices were considerably higher than subject's assessed value which suggests the sales were superior to subject. Although the sale properties appear superior to subject, the Board finds Respondent's analysis the best evidence in record and does not find good support for the \$345 per square foot value rate as requested by Appellant.

Per Idaho Code Section 63-511, in appeals to this Board, the burden is with the Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. Based on the record in this matter, such burden was not satisfied. The information provided by Appellant was insufficient to overcome Respondent's value conclusion. Accordingly, the decision of the Blaine County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Blaine County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 4th day of January, 2016.